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FISCAL IMPACT STATEMENT

LS 7285

BILL NUMBER: HB 1336

NOTE PREPARED: Jan 8, 2015

BILL AMENDED:

SUBJECT: County Assessors.

FIRST AUTHOR: Rep. Stemler

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that county assessors must attain the certification of a Level III Assessor-Appraiser not more than one year after taking office rather than attaining the certification before taking office. The bill provides that the county assessor forfeits office if the county assessor fails to attain the certification of a Level III Assessor-Appraiser in the time allowed.

Effective Date: July 1, 2015.

Explanation of State Expenditures: The bill could increase costs to the Department of Local Government Finance (DLGF), to train county assessors as Level III Assessor-Appraisers. Current law requires county assessors to have obtained Level II and Level III certification prior to taking office. Under the bill, the county assessor would have to obtain Level II certification prior to taking office, but would have a year to obtain Level III certification. The DLGF provides training and pays tuition for county and township assessing officials. Minimum tuition for certification as a Level III Assessor-Appraiser is estimated at \$1,770.

Additional Information - Level II certification training is provided online on the DLGF website. Level III certification requires that an individual take five specific classes sanctioned by the International Association of Assessing Officers and pass a test after each class. Four of the classes are a week long and cost \$380 in Indiana. The fifth class is three days long and costs \$250 in Indiana. About half the students pass the test for each class on the first attempt. The DLGF pays for the five classes for up to three assessing officials from each county.

Additionally, Level III certified assessor-appraisers must complete 45 hours of continuing education in a two-

year cycle. An assessor is considered certified throughout the cycle until the DLGF determines the requirement has not been met.

As of October 2014, there were 468 individuals certified by the DLGF as Level III certified assessor-appraisers, including 22 who are listed as out-of-state. There are 27 counties that have only one certified Level III Assessor-Appraiser and another 19 that have two.

The Assessment Training Fund was established in 2001 to pay for the training of local assessment officials and DLGF employees. The DLGF pays for Level I, II, and III training, as well as continuing education. The revenue in the fund is from sales disclosure filing fees, and in FY 2014 revenues were \$737,640. Expenditures from the fund in FY 2014 were \$798,626 for payroll expenses.

Under current law, one qualification of a candidate for county assessor is to have attained a Level III assessor-appraiser certification. Officeholders prior to January 1, 2012, may continue to be candidates for office without attaining Level III certification until 2016.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could increase expenditures for counties to pay per diem, and traveling and other expenses for a county assessor to attend Level III training classes. Also, if more candidates are qualified to run for county assessor, the ballots may be lengthened slightly and very minimal additional printing costs incurred. [There were only 11 contested races for county assessor during the 2014 general election.]

If a county assessor fails to attain a Level III certification, the office would be forfeit and the county caucus would select a replacement for the position.

Explanation of Local Revenues:

State Agencies Affected: DLGF.

Local Agencies Affected: Counties and townships with assessors.

Information Sources: Courtney Schaafsma, DLGF Commissioner, Auditor's Data, <http://www.in.gov/dlgef/9185.htm>, http://www.in.gov/dlgef/files/Level_3_Certifications_10_16_2014.pdf, county election summary reports.

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